

Dear Fellow Employees:

Since 1996, when FAA was given the authority to set its own pay policies, the Administrator decides at this time of year about pay increases for the coming year.

This past fiscal year has been a very challenging period for all of us. We have many accomplishments that we can be very proud of, particularly in our continued response to the terrorist attacks of September 11, 2001, and the transition of some of our functions to the Transportation Security Administration. As we face the many challenges that confront us every day, I continue to be reminded of the tremendous service that you all provide for so many people, with such high quality, and with such pride and dedication.

It is particularly significant that the FAA met nine out of ten of our FY 2002 performance goals and met all six of our Organizational Success Increase (OSI) goals. Accordingly, based on this and my assessment of FAA accomplishments during the year, I am pleased to announce that I have approved a full OSI of 4.1 percent for all eligible employees covered by the Core Plan and for those employees covered by negotiated versions of the Core Plan. The 4.1 percent base pay increase is in comparison to the 3.1 percent general increase for other Federal government employees. The additional 1 percent in the OSI represents a portion of the funds FAA previously spent on within-grade increases and quality step increases.

In addition to the OSI, some employees will receive a Superior Contribution Increase (SCI). The SCI amount will vary depending on which specific SCI process applies.

Those employees in the FG, FM, and FT pay plans will receive the same 3.1 percent increase as Federal General Schedule (GS) employees. I have also approved an annual pay adjustment of 3.1 percent for employees in the executive compensation plan.

Most of these adjustments will become effective on January 12, 2003. The Office of Human Resource Management (AHR) has prepared detailed information about the pay increases as they apply to the various segments of the FAA workforce. This information is available on the AHR website at www.faa.gov/ahr/2003payinfo.cfm. Questions about the pay adjustments may be referred to your servicing human resources office, or to the AHR Policy Management Division, AHP-300, on 202-267-3780.

Once again, I very much appreciate your continued dedication and commitment, and the great work you do in so many areas. I am honored to be part of this organization and look forward to working with you in the new year.

Marion C. Blakey
Administrator